

## Montana SBIR/STTR Matching Funds Program Guidelines

### Montana Department of Commerce

#### Introduction

The purpose of the Montana SBIR/STTR Matching Funds Program is to foster job creation and economic development in the state by providing matching grants to eligible businesses meeting the criteria set forth in these guidelines.

The Montana SBIR/STTR Matching Funds Program is designed to award grant funds to Montana companies that have been awarded a Small Business Innovation Research Program or Small Business Technology Transfer Program (Federal SBIR/STTR Program) Phase I award and that, if the opportunity to do so is available, intend to apply for a Federal SBIR/STTR Program Phase II award.

The Federal SBIR/STTR Program provides for funding competitions in two phases that are relevant to the Montana Program: Phase I – to conduct feasibility research; and Phase II – to expand and develop Phase I results and develop commercially viable innovations.

The Montana Department of Commerce (Department) administers the Montana SBIR/STTR Matching Funds Program in the manner set forth in these guidelines. In all cases, awards will be made at the discretion of the Department.

#### Award Structure and Milestones

1. Applications will be considered, and funds awarded, as established in these guidelines until the funds available for the Montana SBIR/STTR Matching Funds Program have been exhausted.
2. Subject to the satisfaction of all other requirements, match awards will be disbursed in two stages:
  - a) Stage 1 – 50% of the total match award will be disbursed when applicant meets all of the Stage 1 requirements.
  - b) Stage 2 – The remaining 50% of the total match award will be disbursed when applicant meets all of the Stage 2 requirements.

3. So long as funds remain available, for each approved application, total match awards will be \$30,000. The Department will approve no more than one application for funding per company per state fiscal year.
4. Companies that have been awarded a Federal SBIR/STTR Program Phase I award no earlier than July 1, 2011 are eligible applicants for the Montana SBIR/STTR Matching Funds Program.

### **Stage 1 Application Requirements**

All required information for a Stage 1 application must be submitted electronically. Applicants must submit items 1 through 12 below in a single submission to be considered for a grant. Submissions should be emailed to [jtodd@mt.gov](mailto:jtodd@mt.gov).

1. Name of the business. (MCA 90-1-119 (4)(a))
2. Applicant must be a for-profit sole proprietorship, partnership, limited liability company, limited liability partnership, or corporation registered with the Montana Secretary of State. Provide a Certificate of Existence or a Certificate of Fact issued by the Montana Secretary of State to meet this requirement. (MCA 90-1-118 (1))
3. The company must have its principal place of business in Montana. Certify that this requirement is met. (MCA 90-1-118 (1))
4. Names and addresses of the principals or management of the business. (MCA 90-1-119 (4)(a))
5. Provide documentation that the company has received a SBIR or STTR Phase I award from a participating Federal agency in response to a specific federal solicitation (MCA 90-1-118 (2)). The date of the notice of award must be no earlier than July 1, 2011 to be eligible.
6. Provide a statement that the company is not concurrently receiving funding from other Montana state funding programs whose purpose is to provide matching grants to businesses receiving funding from Federal SBIR or STTR programs. (MCA 90-1-118 (4))
7. The business certifies that at least 51% of the research described in any proposal for Phase II funding is to be conducted in Montana and that the business will remain a Montana-based business for the duration of the Phase II project. (MCA 90-1-118 (5))
8. The business demonstrates an ability to conduct research for the Phase II proposal. (MCA 90-1-118 (6))
9. The business states intent to apply for a Phase II proposal provided that such an opportunity to do so is available. (MCA 90-1-117 (1))

10. Provide an itemized budget, a justification for each line of the budget, and a detailed narrative describing the objectives for which Stage 1 funding will be used. Department funds must be used to help the company complete the SBIR/STTR Phase I project, prepare and submit a Phase II proposal, or otherwise assist the company in the eventual development of a product or service related to the Phase 1 award. Applicants must use the attached Stage 1 budget form.
11. Provide a copy of a fully executed grant agreement/contract for the Phase I award with the participating Federal agency, or other documentation showing that the participating Federal agency has begun to make project payments. (MCA 90-1-119 (4)(b))
12. Provide the date when the Phase I project is scheduled to end.

### **Stage 2 Application Requirements**

Only Stage 1 grant recipients are eligible for Stage 2 disbursements. Applications for Stage 2 funding must be received by the Department no later than 90 days after the scheduled end date of the Phase I project, unless the participating Federal agency is operating on a schedule that does not require submission of Phase II proposals during the 90 day period. If this is the case, the applicant must notify the Department of this fact during the 90 day period and explain why an extension to the 90 days should be granted. All required information for a Stage 2 application must be submitted electronically. Applicants must submit items 1 through 3 below in a single submission to be considered for the remaining 50% of the total match award. Submissions should be emailed to [jtodd@mt.gov](mailto:jtodd@mt.gov).

1. The company must provide evidence that the Phase I final report was received and accepted by the Federal SBIR/STTR agency, that the terms of the SBIR/STTR Phase I grant agreement/contract between the company and the participating Federal agency were satisfactorily met by the company, and that the Phase II proposal has been submitted to and received by the participating Federal agency. Such evidence must include:
  - a) A copy of the Phase I final report. (MCA 90-1-119 (3)(b))
  - b) Verification of the final payment to the company under the Phase I contract, or documentation showing that all of the Phase I funds have been drawn down. In the event that final payment is pending, a letter from the relevant Federal agency documenting the company's successful completion of the Phase I contract, including a statement of eligibility for final payment, may be substituted.
  - c) Proof that the Phase II proposal has been submitted to and accepted by the participating Federal agency within the eligibility period. An example of this would be written or electronic notification from the agency confirming date of proposal receipt. (MCA 90-1-119(3)(b))

- d) A copy of the Phase II proposal. (MCA 90-1-119(3)(b))
2. If the participating Federal SBIR/STTR agency requires that the Phase I awardee receive an invitation to submit a Phase II application, a copy of the invitation must be submitted to the Department. If the participating Federal SBIR/STTR agency does not require that the Phase I awardee receive an invitation to submit a Phase II proposal, the company must so inform the Department. (MCA 90-1-119 (3)(b))
  3. Provide an itemized budget, a justification for each line of the budget, and a detailed narrative describing the objectives for which Stage 2 funding will be used. Department funds must be used to help the company complete the SBIR/STTR Phase II project or otherwise assist the company in the eventual development of a product or service related to the Phase II application. Applicants must use the attached Stage 2 budget form.

### **Application Submission and Review**

Applications will be reviewed to determine compliance with the requirements of these guidelines. To qualify for funding, applications must be complete and in full compliance with all requirements. Incomplete or non-compliant applications may be dropped from consideration. At its discretion the Department may request supplemental materials from the applicant and such materials must be received within 15 days of the date of the request or the application may be rejected.

Applications that meet all requirements set forth in these guidelines for Stage 1 funding may be approved for funding, at the discretion of the Department, on a rolling, first-come first-served basis until the funds available for the Montana SBIR/STTR Matching Funds Program have been exhausted.

### **Confidentiality and Non-Disclosure Agreement**

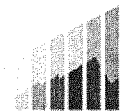
Once information is submitted to the Department, the information is subject to the public's right to know pursuant to Article II, Section 9 of the Montana Constitution. Written information is subject to the right of citizens to inspect and copy pursuant to §2-6-102, MCA, unless there is an individual privacy interest that clearly exceeds the merits of public disclosure. Public disclosure may also negatively impact an applicant's ability to protect its intellectual property by patent or other legal means.

Upon submission of any potentially confidential information, the applicant may enter into a confidentiality and non-disclosure agreement with the Department and provide an affidavit so that there is a clear understanding of the rights and obligations of the applicant relative to protection of sensitive information in Montana. Please use the attached confidentiality and non-disclosure agreement, and affidavit.

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**For additional information, contact:**

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